

# Vodafone Qatar P.Q.S.C.

Investor Presentation

Year ended 31 December 2024



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# Performance Highlights

**Hamad Al-Thani**  
Chief Executive Officer



# Key Messages



Reached New Financial Heights in FY24

- QR 3,190m Revenue in FY24
- QR 601m Net Profit in FY24



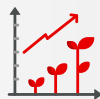
Value Driven Moves Results in RMS Gains

- 31.2% RMS in FY24 Q3 TTM
- 43.8% Mobility Customer Market Share in FY24 Q3



Network Infrastructure Expansion

- +10% Y/Y Radio access network Sites
- Multiple projects running in parallel to further improve customer experience

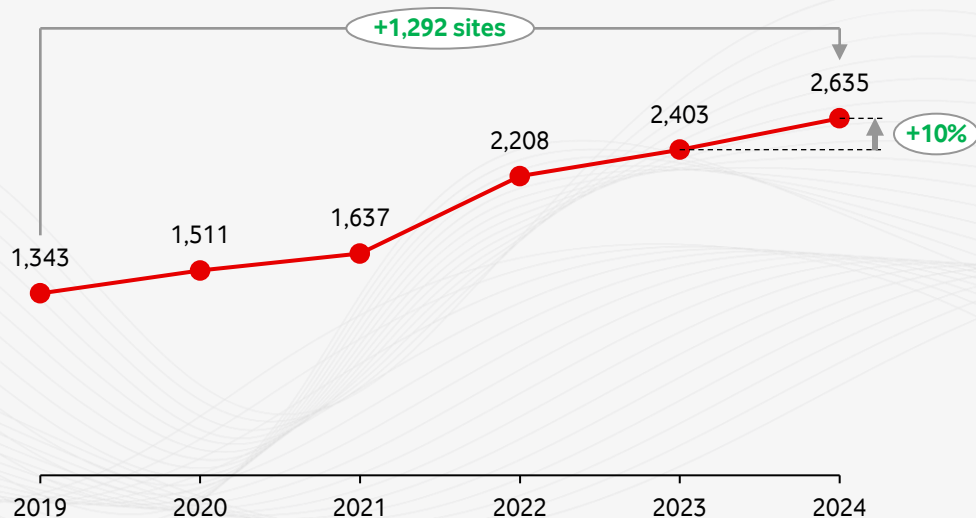


Proposed Dividend

- A dividend of 12% of the nominal share value, amounting to QR 507m is proposed, subject to approval by shareholders at AGA

# Growing Our Radio Network : >2,600 Radio Network Sites Across the Country

## Radio Network Evolution



- 80% of the 5G outdoor sites are upgraded with 5G 2<sup>nd</sup> carrier.
- 5G Indoor footprint increased by +120% Y/Y.

## Radio Network Coverage



# Growing Our Radio Network : Key Projects in 2025



## 2.6 TDD

- To enhance customer experience and remain at the forefront of innovation, Vodafone Qatar is investing in a **3rd carrier** for its high-speed 5G network.
- Aligned with CRA's strategy to:
  - Synergize with GCC operators,
  - **Improve** spectral efficiency,
  - **Minimize** interference with neighboring networks.



## 5G SA

- 5G standalone (5G SA) will enable industries and enterprises to benefit from tailored quality of service.
- It brings the customer specific quality of service, network slicing and better support for low latency applications.



## 3G Sunset

- Vodafone Qatar is shutting down its 3G network to:
- Enhance customer experience by reallocating spectrum for advanced technologies.
  - Comply with CRA's mandate to stop 3G by 31 December 2025



# Product Portfolio : Series of Launches to Improve Customer Experience

## Consumer Postpaid Revamp



- All Postpaid plans include Unlimited local minutes
- Exclusive Unlimited Social Media Data
- Mute service for complete control of privacy
- One number Multi SIM
- International Call Block service
- Exclusive experiences and deals in five categories across 40 locations

## Instant SIM



Instantly activate from 2,600+ locations

- |   |   |
|---|---|
| <p><b>Self Activate</b></p> <p>A new Prepaid or Postpaid connection</p> | <p><b>Simple &amp; fast process</b></p> <p>Just a smartphone &amp; the Instant SIM pack needed.</p> |
| <p><b>Internet access</b></p> <p>for activation included in the SIM</p> | <p><b>Flexibility</b></p> <p>to choose between eSIM or Physical SIM</p>                             |

## Elevating Home Entertainment with OSNtv

### Premium Live Channels

Top studios locally, regionally and internationally

### Streaming Content

included 15,000 hours of on demand & latest movies to purchase

### New Box Experience

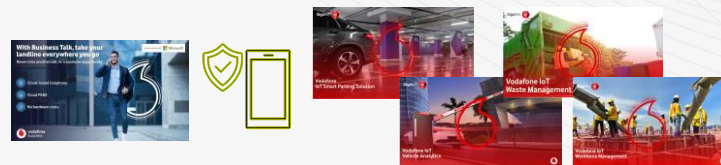
Easy setup, navigation, parental control & 1,000's of apps to download



OSN Premium  
OSN Lite

## Enterprise

Focused on diversifying portfolio and enhance core services



### Unified Communication

Take Your landline everywhere you go:  
Business Talk  
Vodafone Calling

### Security

Protect your company devices:  
End-point Security  
Mobile Security

### IoT MVP's

Smart Environment; Smart Parking; Waste mngt; Cold chain; Workforce mngt

# Financial Performance

**Masroor Anjum**  
Chief Financial Officer





# Key Highlights



Topline Growth Continues

- **2.5% increase** in Total Revenue
- Growth across all segments



Focus on Cost efficiency

- **23.4% OPEX intensity** (underlying)
- **0.3 pts YoY** improvement



Continuing Profitability growth

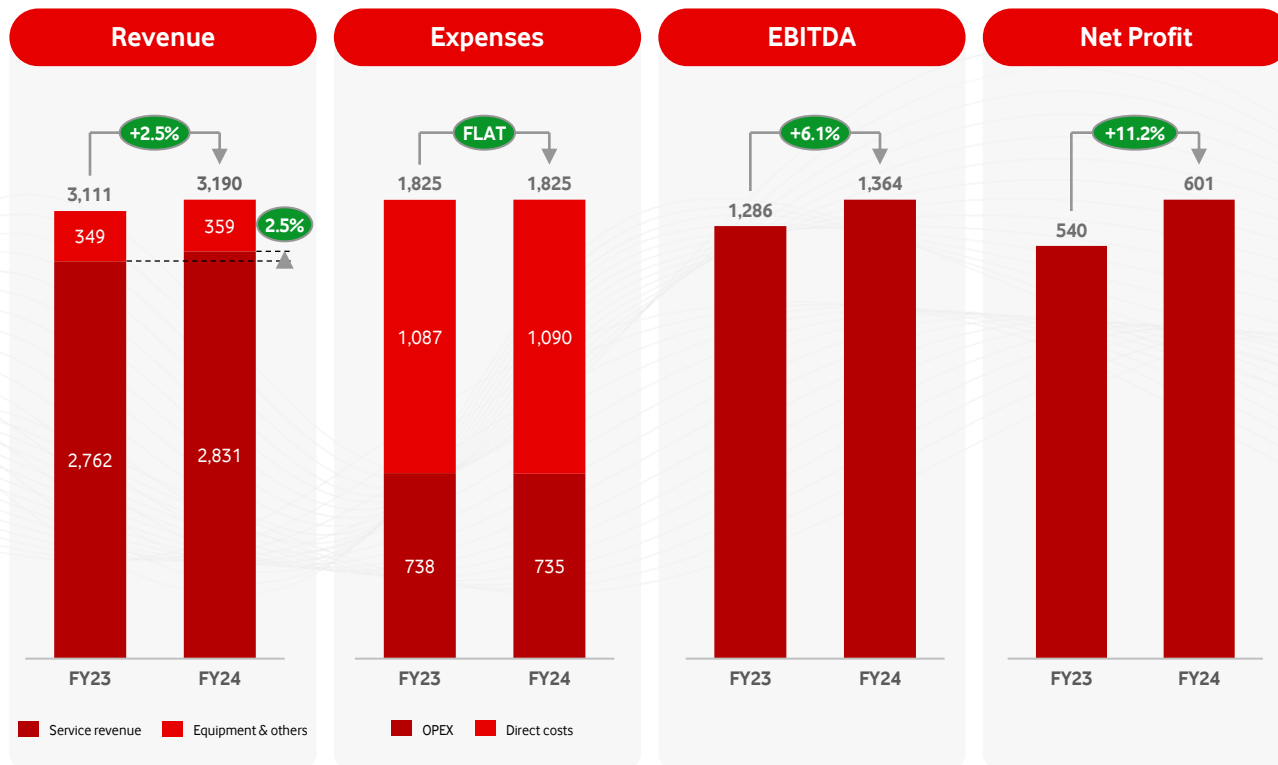
- **6.1% growth** in EBITDA
- **11.2% increase** in Net profits



Robust underlying growth in cash flows

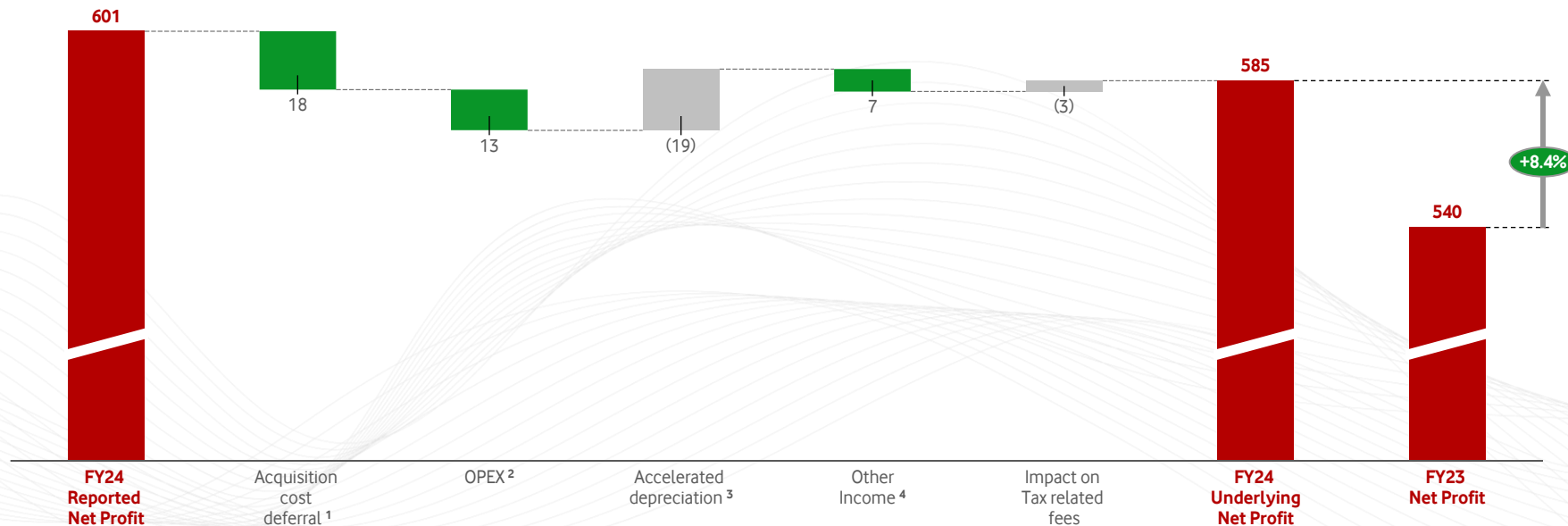
- **2.4% increase** in free cash flows
- **22.6% reduction** in net debt

# FY24 Year on Year : Persistent Topline and Profitability Growth



- Total revenue grew QR 79m (+2.5%) reflecting growth across mobility and fixed
- Expenses remained stable despite continuous network expansion, driven by cost optimisation
- EBITDA increased 6.1% primarily driven by service revenue growth
- Net profit grew 11.2% resulting from higher EBITDA

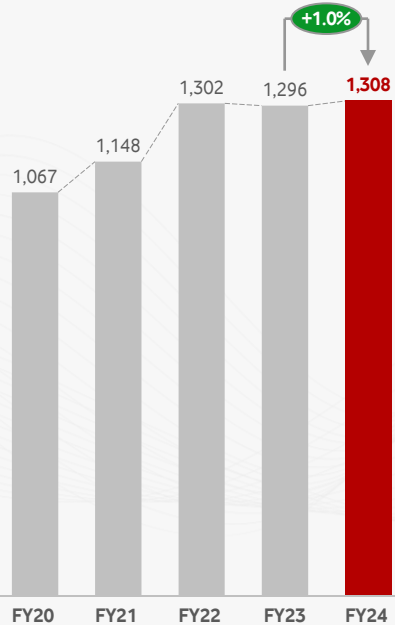
# Underlying Net profit



- 1** Incremental customer acquisition cost deferred as required by the IFRS Accounting standards
- 2** One-time non-recurring benefit in OPEX
- 3** Accelerated depreciation of assets nearing end of life, largely on account of FDD to TDD migration
- 4** Majorly the impact of changes in estimates for asset retirement obligations

# Service Revenue : Continuous growth across all segments

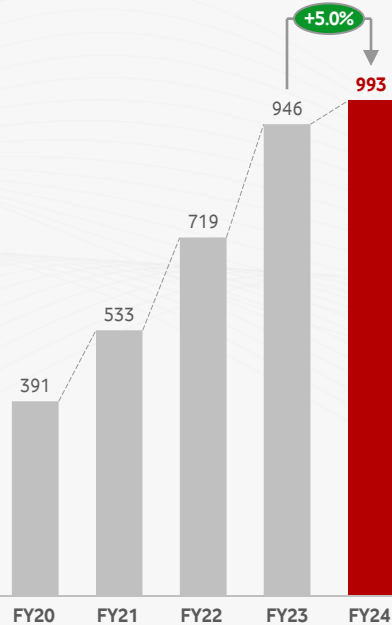
## Postpaid



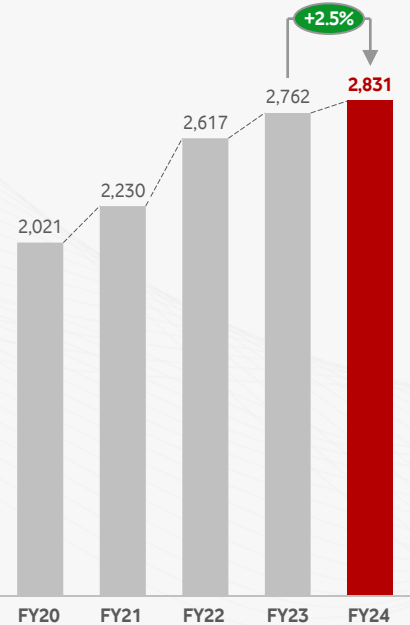
## Prepaid



## Managed services, wholesale & Fixed



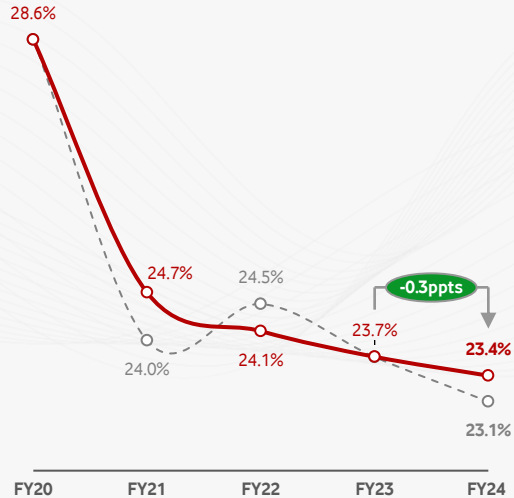
## Total service revenue



# Margin Trends : Enhancing cost efficiency and profitability margins

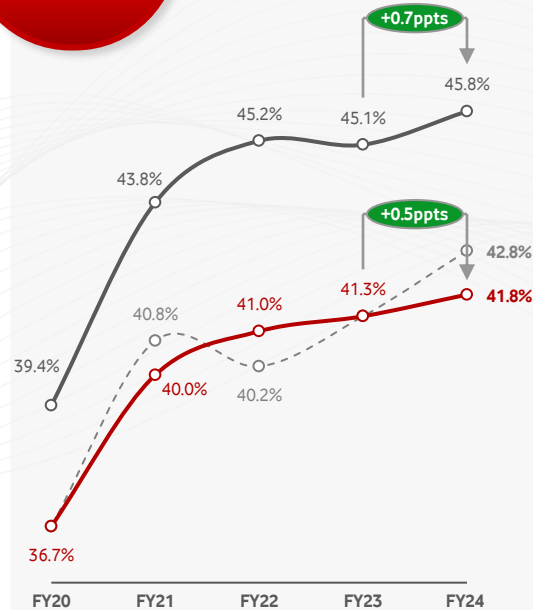
## OPEX Intensity

○ - Reported    ● - Underlying



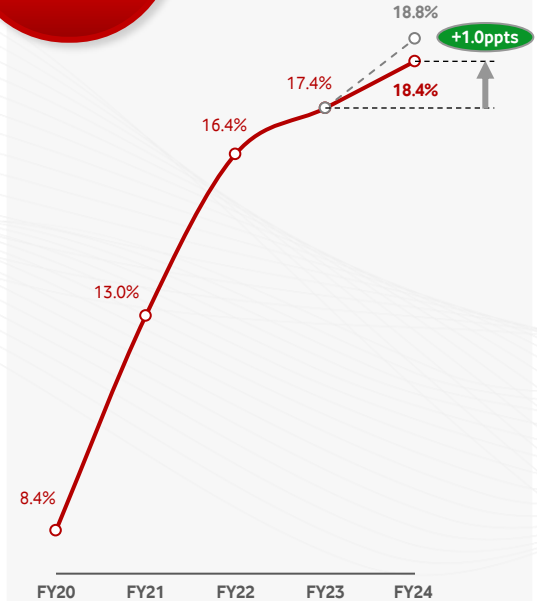
## EBITDA Margin

○ - Reported Margin  
● - Reported excl. World Cup & one-offs  
○ - Underlying margin\*



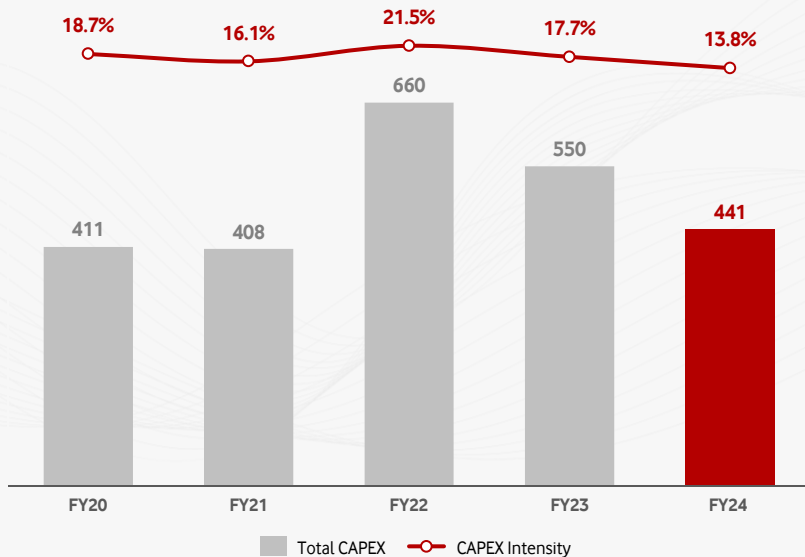
## Net Profit Margin

● - Underlying  
○ - Reported

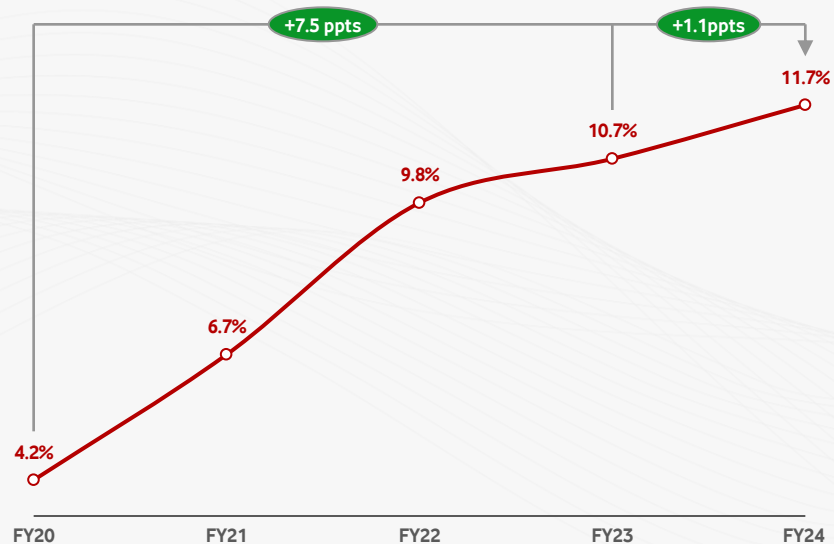


# Capital Expenditure : Investments driving profitable growth

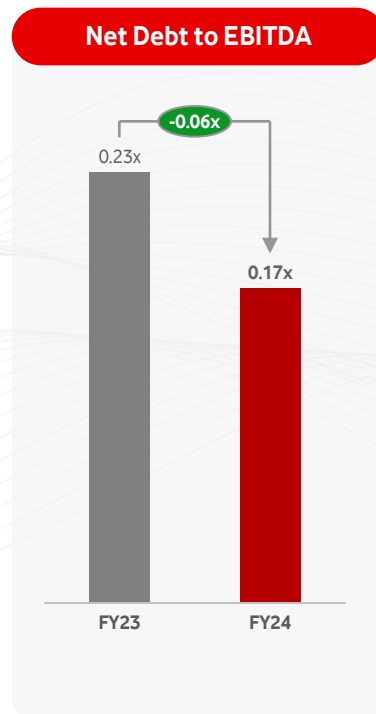
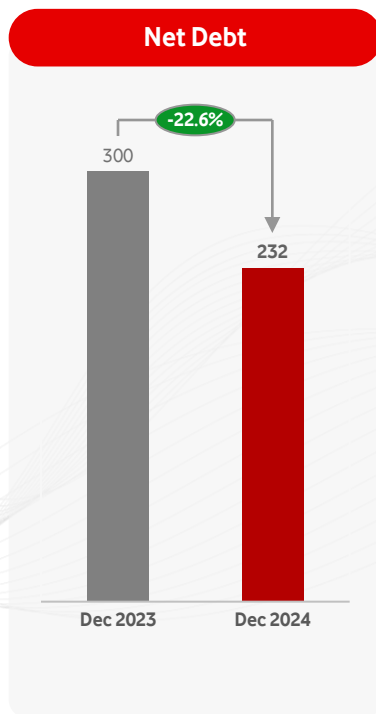
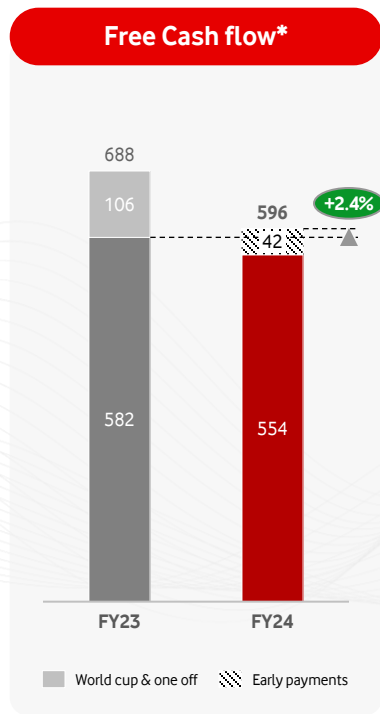
## Capital expenditure (CAPEX)



## Return on capital employed (ROCE\*)



# FY24 Year on Year : Driving robust cash flows



- 1 Underlying operating cash flow increased 2.4%
- 2 Despite higher dividend pay-out for FY23, net debt decreased due to strong cash flow
- 3 Net debt to EBITDA ratio continues to decline reaching 0.17x



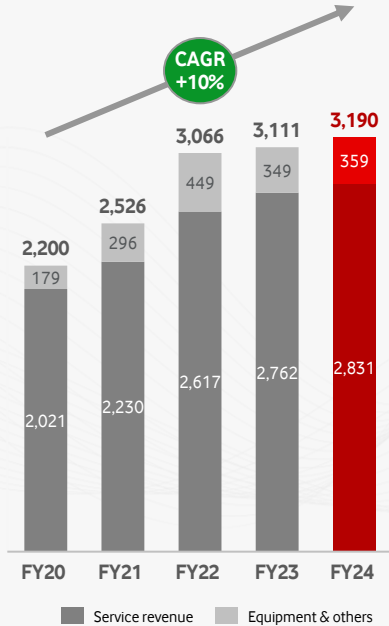
# FY24 Year on Year : Statutory results summary

QR millions (unless otherwise stated)	31 Dec 24	31 Dec 23	YoY
Consumer revenue	1,643	1,598	45
Enterprise, equipment and other revenues	1,547	1,513	34
<b>Total revenue</b>	<b>3,190</b>	<b>3,111</b>	<b>79</b>
Direct costs	(1,090)	(1,087)	(3)
Operational expenses	(735)	(738)	3
Depreciation and amortisation	(666)	(631)	(35)
Finance costs	(34)	(42)	9
Other financing costs (net)	(3)	(22)	19
<b>Profit before tax related fees</b>	<b>662</b>	<b>591</b>	<b>71</b>
Tax related fees	(61)	(51)	(10)
<b>Profit for the year</b>	<b>601</b>	<b>540</b>	<b>61</b>
<b>Basic and diluted earnings per share (in QR)</b>	<b>0.142</b>	<b>0.128</b>	<b>0.014</b>

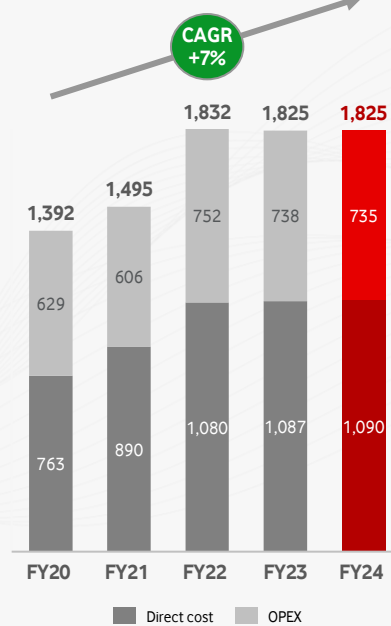
- Total revenue grew QR 79m (+2.5%) driven by growth across mobility and fixed revenue
- Expenses remained stable despite continuous network expansion, driven by cost optimisation
- Higher depreciation is driven by CAPEX investments and accelerated depreciation of few assets including FDD to TDD migration
- Financing costs lower due to one-off benefits and impact of lower net debt resulting from strong cash flow

# Key Financial Performance Indicators

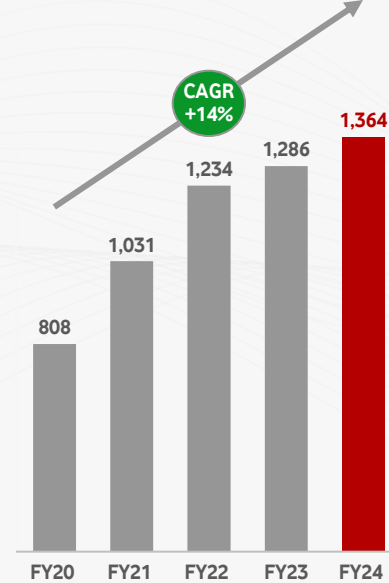
## Total Revenue



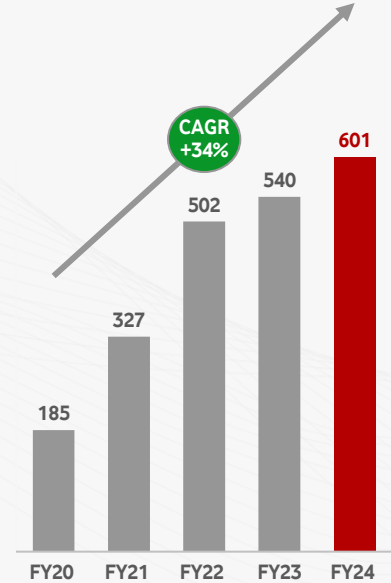
## Expenses



## EBITDA



## Net Profit



# Financial Performance v/s FY24 Guidance

Financial KPIs	FY23 Results	FY24 Guidance	FY24 Actuals		
Total revenue	QR 3,111m	+ YoY %	QR 3,190m	+ 2.5 %	✓
EBITDA Margin	41.3%	+ 0.5 – 1 ppts	U/L 41.8%	+ 0.6ppts	✓
EPS	0.128	+ 8% – 12%	U/L 0.138	+ 8.4%	✓
CAPEX intensity	17.7%	12% to 14%	13.8%	-	✓

# FY25 Guidance

Financial KPIs	FY24 Results	FY25 Guidance
Total revenue	QR 3,190m	+ YoY%
EBITDA Margin	U/L 41.8%	~ 42%
CAPEX intensity	13.8%	13% - 14.5%

# Q&A



**For more information visit our website:**

[www.vodafone.qa/en/investor-relations](http://www.vodafone.qa/en/investor-relations)

**Or email us:**

[InvestorRelationsQatar@vodafone.qa](mailto:InvestorRelationsQatar@vodafone.qa)

APPENDIX



# Consolidated Statement of Income

QR m (unless otherwise stated)	Year ended 31 December		
	2024	2023	YoY
Revenues	3,190	3,111	79
Interconnection and other direct expenses	(1,059)	(1,063)	4
Network and other operational expenses	(447)	(465)	18
Employees' salaries and benefits	(289)	(273)	(15)
Depreciation of property, plant and equipment	(357)	(327)	(30)
Amortisation of intangible assets	(198)	(191)	(7)
Depreciation of right-of-use assets	(110)	(112)	2
Expected credit losses	(31)	(24)	(8)
Finance costs	(34)	(42)	9
Other financing costs	(27)	(35)	8
Other income	24	13	11
<b>Profit before tax related fees</b>	<b>662</b>	<b>591</b>	<b>71</b>
Tax related fees	(61)	(51)	(10)
<b>Profit for the year</b>	<b>601</b>	<b>540</b>	<b>61</b>
<b>Basic and diluted earnings per share (in QR)</b>	<b>0.142</b>	<b>0.128</b>	<b>0.014</b>

- Total revenue grew QR 79m (+2.5%) driven by growth across mobility and fixed revenue
- Expenses remained stable despite continuous network expansion, driven by cost optimisation
- Higher depreciation is driven by CAPEX investments and accelerated depreciation of few assets including FDD to TDD migration
- Financing costs lower due to one-off benefits and impact of lower net debt resulting from higher cash flow



# Consolidated Statement of Financial Position

QR m (unless otherwise stated)	31 Dec 24	31 Dec 23	Var
Property, plant and equipment	1,958	1,934	24
Intangible assets	3,895	4,037	(142)
Right-of-use assets	337	429	(91)
Trade and other receivables	236	267	(31)
<b>Total non-current assets</b>	<b>6,426</b>	<b>6,667</b>	<b>(241)</b>
Trade and other receivables	496	444	53
Inventories	50	34	16
Contract costs	43	13	30
Cash and bank balances	145	130	15
<b>Total current assets</b>	<b>735</b>	<b>621</b>	<b>114</b>
<b>Total assets</b>	<b>7,161</b>	<b>7,288</b>	<b>(127)</b>
Share capital	4,227	4,227	-
Legal reserve	192	158	34
Hedging reserve	(5)	-	(5)
Retained earnings	638	552	86
<b>Total equity</b>	<b>5,052</b>	<b>4,936</b>	<b>115</b>
Lease liabilities	227	315	(88)
Loans and borrowings	375	325	50
Provisions	110	110	(1)
<b>Total non-current liabilities</b>	<b>712</b>	<b>751</b>	<b>(39)</b>
Lease liabilities	150	156	(6)
Loans and borrowings	2	105	(102)
Trade and other payables	1,245	1,340	(95)
<b>Total current liabilities</b>	<b>1,397</b>	<b>1,601</b>	<b>(204)</b>
<b>Total equity and liabilities</b>	<b>7,161</b>	<b>7,288</b>	<b>(127)</b>

## Assets

- Property, plant & equipment and intangible assets decreased by QR 119m due to depreciation and amortization of QR 555m offset by CAPEX of QR 441m
- Right of use assets decreased by QR 91m as a result of depreciation QR 110m and lease terminations QR 19m offset by new leases QR 38m
- Receivables and contract costs QR 52m higher due to timing of projects receivables

## Equity

- Equity increased by QR 115m due to profit for the period QR 601m offset by dividend payment QR 465m, social and sports fund accrual QR 15m and hedge reserve QR 5m

## Liabilities

- Loans and borrowings QR 52m lower due to repayment of loans
- Lease liabilities QR 95m lower due to settlements QR 130m and lease terminations QR 21m offset by new leases QR 38m and interest unwinding QR 18m
- Trade and other payables decreased by QR 95m due to lower CAPEX and early settlements

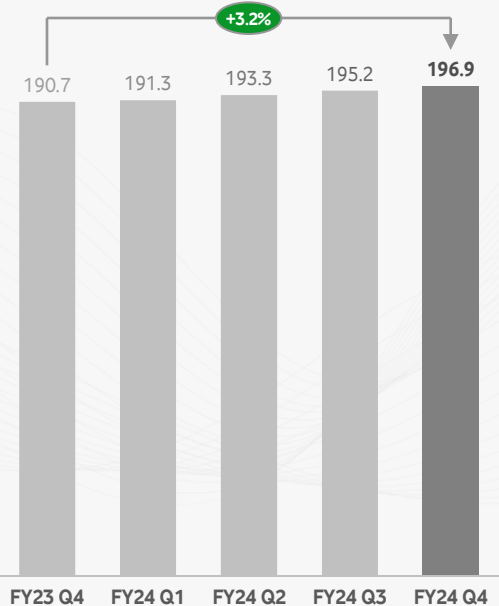
# FY24 Q4 Year on Year : Growth momentum continues



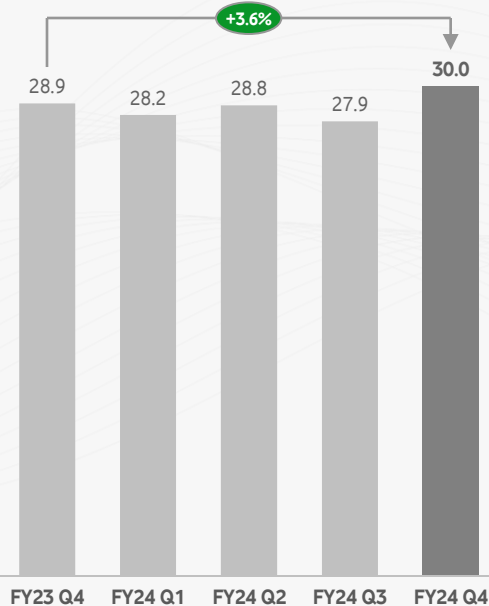
- Service revenue grew 1.5% YoY driven by growth across all segments – prepaid, postpaid and fixed
- Lower equipment revenue YoY mainly driven by non-recurring projects revenue last year
- Expenses lower primarily due to one off benefits offset by equipment costs
- EBITDA increased 5.3% following higher service revenue
- Net profit grew 10.6% resulting from higher EBITDA

# Mobility ARPU

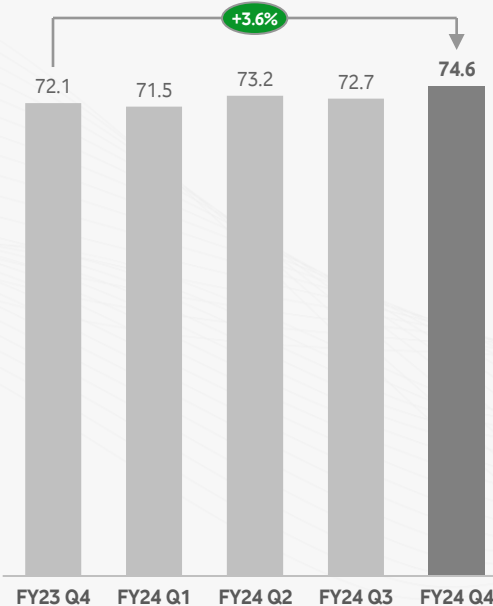
## Postpaid



## Prepaid

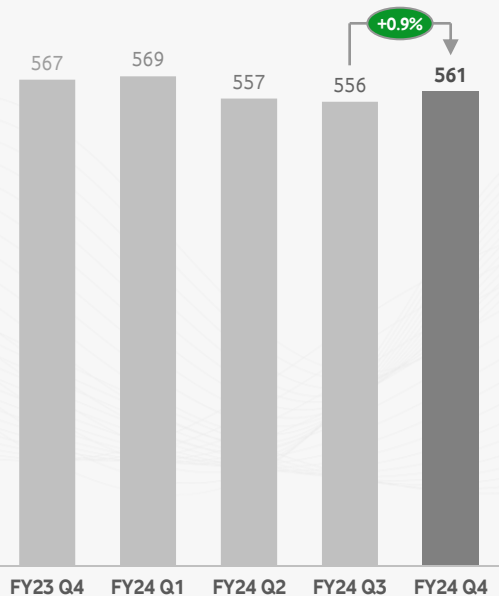


## Total Mobility

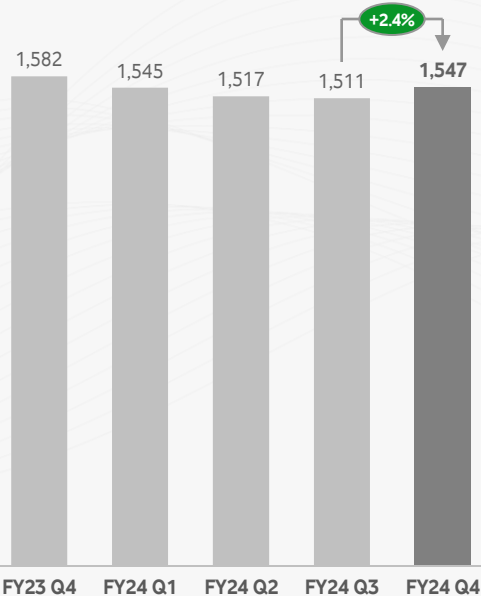


# Mobility Subscribers

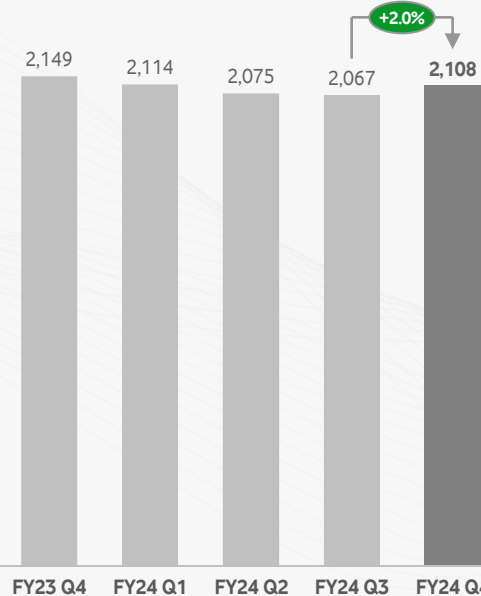
## Postpaid



## Prepaid



## Total Mobility



# Approved Dividend Policy

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The Board of Directors is proud to announce the fulfillment of its dividend policy commitment, achieving a dividend distribution of 12% of the nominal value.

The Board has also approved a new dividend policy, aiming for a dividend distribution of not less than 10% of the Company's share capital. The Board of Directors may change the dividend percentage after evaluating a range of factors including net profits, regulatory requirements, and future investment opportunities.